

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 26, 2011

CERTIFIED RETURN RECEIPT 7004 2510 0004 1824 7333

Southwest Stone 2421 West 350 North Hurricane, Utah 84737

Subject: Proposed Assessment for State Cessation Order No. CO-2010-17-13, Southwest

Stone, Dove Creek Pass Mine, S/003/0052, Box Elder County, Utah

Response Due By: 30 Days of Receipt

Dear Mr. Sagars:

The undersigned has been appointed by the Division of Oil, Gas & Mining as the Assessment Officer for assessing penalties under R647-7.

Enclosed is the proposed civil penalty assessment for the above referenced Failure to Abate Cessation Order (FTACO) No. CO-2010-17-13. The FTACO was issued by Division Inspector, Lynn Kunzler, on 12/20/2010. Rule R647-7-103 et. Seq. has been utilized to determine the proposed penalty of \$22,500. The effective date of this FTACO was 12/22/2010 and the penalty is assessed at \$750/day. Thirty days passed as of January 21, 2010.

Under R647-7-106, there are two informal appeal options available to you. You may appeal the 'Fact of the Violation', the proposed civil penalty, or both. If you wish to informally appeal you should file a written request for an Informal Conference within thirty 30 days of receipt of this letter.

The informal conference will be conducted by a Division-appointed Conference Officer. The informal conference for the fact of the violation is distinct from the informal assessment conference regarding the proposed penalty. If you wish to review both the fact of the violation and proposed penalty assessment, you should file a written request for an Assessment Conference within thirty (30) days of receipt of this letter. If you are also requesting both a review of the fact of violation, and the proposed penalty, the assessment conference will be scheduled immediately following the review of the fact of the violation.

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If a timely request for review is not made, the fact of the violation will stand, the proposed penalty will become final, and will be due and payable within thirty (30) days of the date of this proposed assessment by February 25, 2011. Please remit payment to the Division, mail c/o Vicki Bailey.

Sincerely,

Thomas Munson Assessment Officer

TM:eb

cc: Vicki Bailey, Accounting Vickie Southwick, Exec. Sec.

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